



REMARKS

Reconsideration of this application is respectfully requested in view of the the foregoing amendment and the following remarks.

Claims 1-19, 22-33, 42-74, and 89-97 are currently pending in the application and subject to examination. Reconsideration and prompt allowance of the claims are respectfully requested.

In the Office Action mailed May 17, 2005, claims 1-4, 6-12, 13-19, 22, 24-33, 42-45, 48-62, 64-74, 86-89, 91-93, and 95-97 are rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Boulton (US Patent No. 4,985,697), hereinafter "Boulton", in view of Morales (US Patent No. 5,663,757), hereinafter "Morales" and further in view of U.S. Published Application No. 2005/0144133 to Hoffman, hereinafter "Hoffman". Claims 5, 38, 46, 79, 90, and 94 are rejected as being allegedly unpatentable over Boulton in view of Morales and further in view of Hoffman and further in view of Pocock et al. (US Patent No. 5,014,125), hereinafter "Pocock".

I. The Cited Art Does Not Disclose Every Limitation in the Claims

A. Independent Claims 1 and 93

Applicants submit none of Boulton, Morales, and Hoffman disclose or suggest at least the combination of presenting associated with an electronic book an identification of a product or service; receiving from the user an offered price for the product or service; determining whether to accept the offered price; and selectively transmitting an indication of an acceptance of the offered price based upon the determining, wherein the determining step includes determining whether to accept the offered price based upon at least one of the following criteria: an amount of the offered price, any available

rebates relating to the selected products or service, any available discounts relating to the selected product or service, or a range of acceptable prices for the selected product or service, as recited in claim 1.

The Office Action admits that Boulton and Morales fail to disclose or suggest these features.

The Office Action asserts that Hoffman teaches presenting associated with an electronic book an identification of a product or service; receiving from the user an offered price for the product or service; and determining whether to accept the offered price, in connection with the other features of claim 1.

However, the Applicants submit that Hoffman merely teaches at the referenced citation a tokenless biometric system for processing electronic transmissions, which limits or provides access to various accounts based upon a determining whether a biometric sample taken from the user corresponds to biometric data for authorized users.

Although Hoffman describes at this referenced citation determining access for a user to take classes, download music, neither of these includes at least presenting a product or service associated with an electronic book. Hoffman does teach the biometric device tracking the pages of an electronic book have been displayed. However, even if this is characterized as a service associated with an electronic book, Hoffman does not disclose or suggest receiving from the user an offered price for this service, as recited in claim 1.

The Office Action cites to claims 38-42 of Hoffman as teaching receiving from the user an offered price, and selectively transmitting an indication of acceptance of the

offered price based upon determining, wherein the determining step includes determining whether to accept the offered price based on the amount of the offered price. However, claims 38-42 merely relate to determining whether a user is authorized to have access to an account based on a biometric sample taken from the user and based on whether the desired transaction does not go beyond a transaction parameter limit. Again, Hoffman at the referenced citation merely teaches allowing or denying access based on user authorization, rather than receiving an offered price for a product or service that is presented in association with an electronic book, and determining whether to accept the offered price, as recited in claim 1.

For at least this combination of reasons, Applicants submit that claim 1 is allowable over the cited art. As claim 1 is allowable, Applicants submit that claims 2-4, 6-8, 10-12, 15-19, 22, 24-27, and 30-33, which depend from allowable claim 1, are likewise allowable for at least the reasons set forth above for claim 1.

For similar reasons as for claim 1, the Applicants submit that claims 89 and 93 are likewise allowable.

As claims 89 and 93 are allowable, Applicants submit that claims 90-92, 95-96, which depend from allowable claims 89 and 93, are likewise allowable for at least the reasons set forth above for claim 93.

B. Independent Claim 42

The Applicants submit that none of Boulton, Morales, and Hoffman describe or suggest an apparatus for providing electronic commerce using an electronic book, including at least a presentation module for presenting associated with the electronic book an identification of a product or service, wherein the identification of a product or

service is displayed as one of an inset image within the displayed electronic book, an overlaid image on the displayed electronic book, or in place of the displayed electronic book, as recited in claim 42.

The Office Action asserts that Boulton teaches this feature, citing Fig 1, element 156 and Figure 8. The Applicants note that Figure 1 is merely a block diagram of the software, and does not include element 156. Element 156 is the display in Figure 10, which does not disclose or suggest this feature. In addition, Figure 8 merely shows an electronic book display including an LCD screen (118), a keyboard (122), a page counter (124), and a cassette player (114) that houses a cassette (116).

For at least this reason, Applicants submit that claim 42 is allowable over the cited art. As claim 42 is allowable, Applicants submit that claims 43-53, 56-63, 65-68, and 70-74, which depend from allowable claim 42, are likewise allowable for at least the reasons set forth above for claim 42. For similar reasons, the Applicants submit that claim 97 is likewise allowable.

II. There is an Improper Motivation to Combine References

With regard to each of the rejections under §103 in the Office Action, it is also respectfully submitted that the Examiner has not yet set forth a *prima facie* case of obviousness. The PTO has the burden under §103 to establish a *prima facie* case of obviousness. In re Fine, 5 U.S.P.Q.2nd 1596, 1598 (Fed. Cir. 1988). Both the case law of the Federal Circuit and the PTO itself have made clear that where a modification must be made to the prior art to reject or invalidate a claim under §103, there must be a showing of proper motivation to do so. The mere fact that a prior art reference could arguably be modified to meet the claim is insufficient to establish obviousness. The

PTO can satisfy this burden only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references. Id. In order to establish obviousness, there must be a suggestion or motivation in the reference to do so. See also In re Gordon, 221 U.S.P.Q. 1125, 1127 (Fed. Cir. 1984) (prior art could not be turned upside down without motivation to do so); In re Rouffet, 149 F.3d 1350 (Fed. Cir. 1998); In re Dembiczak, 175 F.3d 994 (Fed. Cir. 1999); In re Lee, 277 F.3d 1338 (Fed. Cir. 2002).

In the Office Action, the Examiner merely states that the present invention is obvious in light of the cited references. See, e.g., Office Action at page 3 and 4. This is an insufficient showing of motivation.

The Office Action states on page 4 that it would have been obvious to combine the purchase system of Morales into the electronic book system of Boulton to provide an improved comprehensive interactive system having instantaneous online nationwide communication capabilities. However, Boulton is an offline electronic book display system and Morales is an interactive television system.

Furthermore, the purchases described in Morales are purchases made in response to an advertisement in a video broadcast program. (See Morales abstract and column 4, lines 17-22). There is no motivation to combine a purchase from a video broadcast program with an electronic book having different learning modes, and even if combined, they do not teach the claimed invention. The Office Action merely says that the combination would have been obvious without citing any motivation to combine the two systems. The only suggestion to combine an electronic book with electronic

commerce is found in the present application. The rejection is improper. Therefore, the Applicants respectfully request withdrawal of the rejections.

CONCLUSION

For all of the above reasons, it is respectfully submitted that the claims now pending patentability distinguish the present invention from the cited references. Accordingly, reconsideration and withdrawal of the outstanding rejections and an issuance of a Notice of Allowance are earnestly solicited. Should the Examiner determine that any further action is necessary to place this application into better form, the Examiner is encouraged to telephone the undersigned representative at the number listed below.

In the event this paper is not considered to be timely filed, the Applicants hereby petition for an appropriate extension of time. The fee for this extension may be charged to our Deposit Account No. 01-2300. The Commissioner is hereby authorized to charge any fee deficiency or credit any overpayment associated with this communication to Deposit Account No. 01-2300 with reference to docket number 026880-00011.

Respectfully submitted,

Arent Fox PLLC



Sheree T. Rowe

Registration No. 59,068

Customer No. 004372

1050 Connecticut Ave., N.W.
Washington, D.C. 20036-5339
Telephone No. (202) 715-8492
Facsimile No. (202) 638-4810